

[TRANSCRIBE THIS FORM ONTO FINANCIAL INSTITUTION'S LETTERHEAD]

(Letter of Credit - Forestry)

Date:

Irrevocable Letter of Credit No. _____

Mayor and Council of Rockville:

We hereby issue in your favor this irrevocable letter of credit upon which you may draw up to an aggregate amount of _____ available on demand upon the production of a written demand for payment and a written statement by the City Manager of Rockville, or the City Manager's designee, that _____(Permittee) failed to complete the work required by Forestry Permit No. FTP_____.

The work required includes the obligation of Permittee and Permittee's agents to comply with all of the provisions of Approved Forest Conservation Plan FTP#_____, to fulfill all of the terms and obligations of the Forest and Tree Conservation Maintenance Agreement dated _____, and to save harmless the Mayor and Council of Rockville, and its agents and employees, from any expense incurred through the failure to of Permittee and/or Permittee's agents to complete all of the requirements of Approved Forest Conservation Plan FTP# _____ and the Forest and Tree Conservation Maintenance Agreement dated _____, or from any damage resulting from the negligence of Permittee or Permittee's agents.

This letter of credit shall be valid, and our obligations hereunder shall continue uninterrupted, for a period of five (5) years following the date of issuance indicated above, provided that on that date this letter of credit shall automatically be extended for an additional one year period and shall further automatically be extended annually for additional one year periods, unless _____ (name of financial institution) notifies the

City Manager by registered letter at least thirty (30) days prior to such initial or subsequent expiration date that this letter of credit will not be extended for such additional period.

We further agree that no change, extension of time, alteration or addition to the work to be performed or to the plans or specifications relating to the same, shall in any way affect our obligation under this letter of credit, and we specifically waive notice of any such change, extension of time, alteration, or addition.

We further agree that all demands for payment made under and in compliance with the terms and conditions of this letter of credit will be duly honored by us and that no defenses that may be available to the Permittee will be asserted against any demand for payment made hereunder.

NAME OF FINANCIAL INSTITUTION:

By: _____
(Type or print name and title)
under signature